

Terminated

TRAILER PARK LEASE

Lease # 791

THIS AGREEMENT made this 14th day of March, 2000, between **POTLATCH CORPORATION**, a Delaware corporation, party of the first part, hereinafter called the "Lessor," and **WALTER B. SCOTT & SONS, INC.**, party of the second part, hereinafter called the "Lessee,"

WITNESSETH, That,

Lessor, in consideration of the payments and agreements hereinafter stated, does hereby lease unto the Lessee, for the sole purpose of use of the trailer park, that certain real property described in Exhibit "A" attached hereto. It is understood and agreed:

Lessor

(1) Its successors, contractors and assigns, may cause to be logged the leased lands, or parts thereof, or the lands in the general vicinity. The use to which the Lessee puts the lease land shall in no way interfere with said logging operations.

(2) Will not be liable for fences destroyed or other damage or injury resulting from such logging operations.

(3) Reserves the right to construct or cause to be constructed any roads or anything else necessary to the operation of its business, at any time or place, and to otherwise use and occupy the demised.

(4) Specifically reserves from this lease all timber.

(5) By its agents, shall have the right to enter upon said land at all times for the purpose of inspecting Lessee's operation.

Lessee agrees:

(1) To use the demised premises in such manner as to insure the protection and propagation of seedlings, reproduction, timber, soil, and water value.

(2) To do everything in its power to prevent and suppress fires on or in the vicinity of the demised premises, and to immediately notify the State Fire Warden of any fires occurring thereon, and to comply with all rules and regulations and statutes of any governmental agency concerning fire regulation and control.

(3) To maintain the improvements upon the above described premises in good condition and to maintain the premises in a safe, sanitary and clean condition.

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(4) Not to place any improvements thereon or to make any alterations in or upon improvements thereon without the prior written consent of the Lessor first being had and obtained.

(5) Not to permit the premises to be used for any unlawful purpose.

(6) To at all times indemnify and save the lessor harmless from any liability for injury to person or persons occurring in connection with or incident to the Lessee's possession of the above-described property. To hold and save Lessor harmless from any and all claims of liability arising out of the lessee's use of the demised property.

(7) To pay all charges for electrical current, water, fuel, gas, garbage, sewer, and other charges for materials and services used by Lessee on the demised premises.

(8) To pay all real or personal property taxes associated with the improvements located upon the above described premises.

(9) At the expiration of the term of this lease, Lessee promises to surrender and give up the said premises to the Lessor, its successors or assigns, and failing so to do, said Lessor, its successors or assigns, may re-enter and take possession of said premises and property without any formal proceedings, either of law or at equity.

(10) If the premises above described, or any part hereof, shall be left after termination of Lease in such condition that causes Potlatch Corporation to send in maintenance crew to clean same, such work shall be paid by the Lessee.

(11) Lessee agrees to remove within sixty (60) days of termination hereof any of Lessee's personal property situate upon the above described leased premises. As to any such property not so removed within said period of time, all right, title and interest of the Lessee shall terminate and such property shall become the property of the Lessor.

(12) Lessee will neither assign this lease or any interest therein or sublet the premises or any part thereof without written permission from the Lessor. Lessee shall not permit the use of said premises by other parties, Whether such use is by formal agreement with a third party or otherwise, without written permission from the Lessor.

(13) At the termination of this lease, for whatever reason and at Lessee's expense, the cabins and all other improvements will be removed from the site as directed by Potlatch Corporation's Representative-in-Charge and all disturbed areas will be grass seeded.

(14) Lessee will provide the State of Idaho Division of Environmental Quality with water samples as required for Public Drinking Water Systems and pay the Annual Fee.

(15) Lessee will be responsible, at their sole expense, for normal maintenance, as directed by Potlatch Corporations Representative-in-Charge, and / or upgrades to the

system required by the State of Idaho Division of Environmental Quality to comply with the standards of a Public Drinking Water System. All improvements must be approved in writing by Potlatch Corporations Representative-in-Charge prior to installation. All improvements to the system will become the property of Potlatch Corporation.

It is mutually understood and agreed:

(1) The lands covered by this lease shall be open to hunting, fishing and other recreation. None of these lands belonging to the Lessor will be posed as to no hunting, no trespassing, etc., unless permission is given in writing by the Lessor.

(2) In the event the Lessee fails to perform any of the agreements herein contained, Lessor may give notice of such default to the Lessee and require performance of Lessee to be made within thirty (30) days of the date of mailing of said notice, and if the default is not corrected within said thirty-day period, this lease shall be terminated. Lessor may at any time terminate this lease for any reason without fault on the part of lessee upon giving thirty (30) days written notice of such termination to Lessee.

(3) In the event of any suit or proceeding by either party herein against the other party, in any way arising out of this agreement, or attempting to enforce any right herein granted, the losing party in such suit or proceeding shall pay to the prevailing party such sum or sums as the court shall adjudge reasonable, in such suit or proceeding, for attorney's fees for such prevailing party.

(4) This Lease shall be subject to all the provisions included in Exhibit "A" and "B" which are made a part hereof by this reference.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and year in this Lease first above written.

Attest:

William F. Davis
William F. Davis
Property Specialist

POTLATCH CORPORATION

By:

Norm Linton
Norm Linton
Area Procurement Manager

Witness

WALTER B. SCOTT AND SONS, INC.

By:

Kelly G. Scott
Title: SEC.

TRAILER SITE LEASE
EXHIBIT "A"

ADDRESS AND TELEPHONE NUMBERS OF PARTIES FOR NOTICE:

LESSOR: POTLATCH CORPORATION Phone #: 799-1706
 c/o Land Department 799-1742
 P.O. Box 1388
 Lewiston, ID 83501

LESSEE: Walter B. Scott & Sons, Inc. Phone #: (208) 245-2773
 HC 03, Box 101
 St. Maries, Idaho 83861

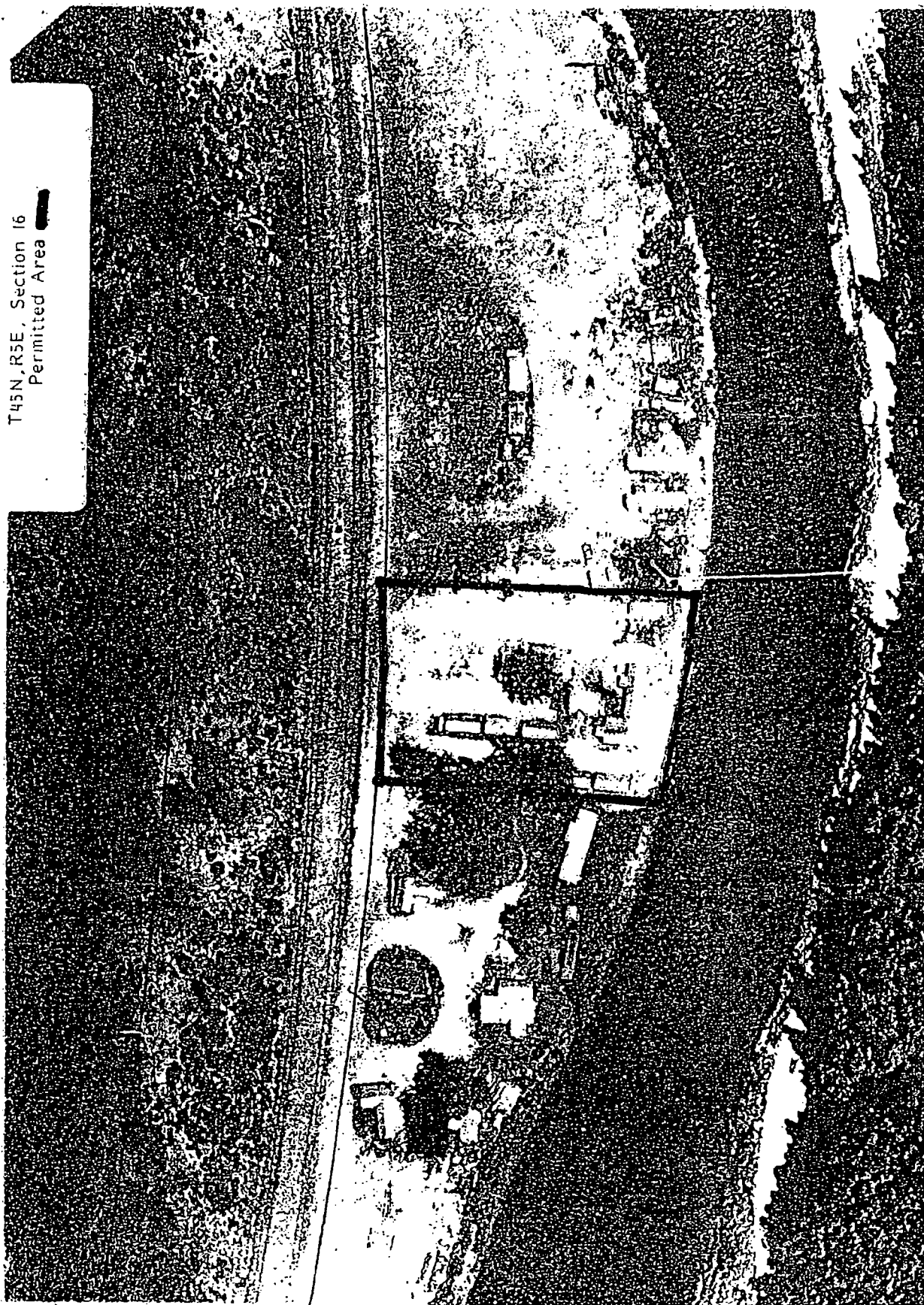
TERM: This lease is for a 2 year term, commencing on the date of execution and expiring on June 30, 2002.

RENTAL: Lessee promises and agrees to pay a monthly cash rental of Four Hundred Dollars (\$400.00), payable in advance on the date of execution and on the first day of the month thereafter.

LEGAL DESCRIPTION: That portion of Potlatch Corporation's Avery Landing located in Government Lot 1 of Section 16, Township 45 North, Range 5 East, Boise Meridian, Shoshone County, State of Idaho and being more particularly shown on Exhibit "A" attached hereto and made a part hereof.

TRAILER PARK SITE ONLY

T45N,R5E, Section 16
Permitted Area



1594